Qase 1:05-cv-00514-GMS Document 34-5 Filed 10/18/2005 Page 1 of 488 Ferrese - cross City Ordinance clearly states that you are not allowed to 1 have them in the right-of-way. And as I testified earlier, 2 we are very lenient. The right-of-way on a lot of our 3 streets is very long. So we've come up with a policy years 4 5 It is not in writing, sir. If I hand you the City Code, there is nothing in 6 7 writing on that; correct? You're right. 8 Α. THE COURT: I think he just established it's not 9 in writing. 10 BY MR. TUCKER: 11 And regarding the zoning map that Mr. Rhodunda showed 12 0. 13 you --THE COURT: It's up here. 14 Thank you. 15 MR. TUCKER: 16 BY MR. TUCKER: I'm putting it before you again, Mr. Ferrese. 17 18 City official zoning map; correct? 19 Α. Yes, sir. In the legend you referred to on direct by 20 Q. Mr. Rhodunda, you referred to the zoning designations that 21 are in the legend; correct? 22 23 Α. Yes. Is there also a reference in that legend to street 24 25 right-of-way lines?

- 1 A. No.
- 2 Q. There is not?
- 3 A. I don't -- I don't recall.
- 4 Q. Take a look at it.
- 5 A. Can you show me where? I don't have my glasses. I'm 6 sorry.
- 7 Q. I'm sorry. Take your time.

THE COURT: I'm sorry. Do you need glasses to be able to read that, sir?

THE WITNESS: Well, it says street right-of-way.

- 11 He's right. It's on there.
- 12 BY MR. TUCKER:
- Q. Now, there is a designation for what a street right-of-way is; correct? In that legend?
- 15 A. In the legend, yes, sir.
- Q. Now, is that the zoning map that is available if any citizen goes to the City to buy a map?
- 18 A. Yes.

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- Q. Okay. Can you tell the Court where on that entire zoning map the City right-of-way is designated?
 - A. I don't think you are going to see that on a zoning map, on this map.
- Q. Is there another map that I can buy from the City that would designate that for me?
- 25 A. No, but it spells it out in the City Code.

- 1 Q. We'll get to that. Now, Mr. Ferrese, wouldn't you
- 2 | agree that you could have a utility pole in the public
- 3 | right-of-way that's located in the middle of the public
- 4 | right-of-way?
- 5 A. Yes.
- 6 Q. Okay. So if you use the utility pole as your
- 7 measuring stick to insure you were removing signs only from
- 8 the public right-of-way, you may not be removing signs from
- 9 the public right-of-way if the utility pole is in the middle
- 10 of the public right-of-way; isn't that so?
- 11 A. No, we're removing it from the public right-of-way.
- 12 Q. Doesn't that create another area potentially that is
- 13 | also public right-of-way that you are not removing any signs
- 14 | from under your policy?
- 15 A. I don't understand your question, sir. I'm sorry.
- 16 | Q. Okay. Let me try again. You have a public
- 17 | right-of-way. Let's say it's 10 feet wide, hypothetically.
- 18 | Okay?
- 19 A. Yes.
- 20 \ O. There is a utility pole that is five feet into that
- 21 public right-of-way. It's possible; right?
- 22 A. Yes, it's possible.
- 23 0. Probably not unlikely?
- 24 A. It's possible.
- 25 Q. Okay. Somebody puts their sign up behind the utility

- 1 pole, okay? Maybe a foot behind it; right?
- 2 A. Yes.
- 3 Q. It's still in the public right-of-way?
- 4 A. Yes, sir.
- 5 Q. But you are not going to remove it?
- 6 A. Right.

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- Q. And unless somebody knows about your policy, if they

 put a sign up on the other side of that utility pole, theirs
- 9 is going to get removed but somebody else's isn't?
- 10 A. That's right, sir.
- 11 Q. Even though they're both in the public right-of-way?
- 12 A. Yes, sir. It exists today.
- Q. And when there is no utility pole and there is no sidewalk, what does somebody do then?
 - A. Well, when there is no utility pole and no sidewalk, usually the property line does come, the property line of the owner comes to the street. But I said earlier that we use the parking spaces as the right-of-way. Remember I told you earlier the parking space, there is a landscaping tie or whatever. That's the other side of the parking space and I told you earlier we try to be as lenient as possible.

If we wanted to be stringent, Mr. Tucker, we could go all the way back to the property line which would be 30 feet from the sign, you would never see the sign, but we're trying to be as cooperative as possible. All they

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Ferrese - cross

- 1 have to do is if they could come in and talk to me about it.
- Q. Mr. Ferrese, doesn't the police report, Plaintiffs'
- 3 Exhibit 5, note that Mr. Sokolove attempted to reach you but
- 4 couldn't reach you on 7/9? Isn't that mentioned in the
- 5 police report?
- A. I don't know how he tried to reach me. Nobody called
- 7 | my house, sir, and I have an answering machine. I leave
- 8 work at 12:00 o'clock and I go home. I have an answering
- 9 machine at my house. Nobody called my house, not a police
- 10 officer or Mr. Sokolove.
- 11 | Q. Are you aware that when you were interviewed in that
- 12 police report you didn't dispute he tried to reach you?
- 13 A. To be honest with you, sir, I never read Cleveland's
- 14 police report and I never read O'Bier's investigative
- 15 report, sir. I never read it.
- 16 \ Q. Would it surprise you if I told you it's in the
- 17 | report, that it specifically says my client, Mr. Sokolove
- 18 | tried to reach you and you weren't available?
- 19 A. I'm available, sir. I have a phone.
- 20 Q. Now, Mr. Rhodunda also mentioned two letters that
- 21 were sent by Mr. Lawson regarding concerns over the City's
- 22 | enforcement over this sign that you did not respond to;
- 23 | correct?
- 24 A. I did not respond.
- 25 Q. And you said you had a discussion with the City

Solicitor?
A. Yes.

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- Q. And the reason you said you didn't respond is because you thought this was becoming litigious; correct?
- A. Possibly.
- Q. Did ask you the City Solicitor to write a letter explaining the City's position on its unwritten policy so this was clear?
- A. No, I did not.
- MR. TUCKER: I'm sorry, Your Honor. I'll get through these pictures quickly.
- THE COURT: Do you have any idea, Mr. Tucker, how much longer you expect to be?
- MR. TUCKER: Probably another ten minutes.

 BY MR. TUCKER:
 - Q. Sir, I'm going to show you Plaintiffs' Exhibit 22 which is a picture of Second Street and Henlopen street, picture 20 which is the Village Improvement Association sign as well as Plaintiffs' 16 which is the City Convention Center sign.
 - Now, Mr. Ferrese, on Plaintiffs' Exhibit 22, can you tell us what that picture depicts?
- A. That's a street sign designating Second Street and
 Henlopen Avenue and there is an Art League informational
 sign attached to it.

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- 1 Q. What is the Art League?
- 2 A. It's located in Henlopen Acres. It's not in the City
- 3 of Rehoboth Beach and people have to go through the City of
- 4 Rehoboth Beach to get to the Art League. I'm not a member.
- 5 I don't know what they do, to be honest with you,
- 6 Mr. Tucker.
- 7 Q. Are they a City organization?
- 8 A. No.
- 9 Q. And that is a City pole?
- 10 A. Yes.
- 11 Q. And that is located in the right-of-way; correct?
- 12 A. Yes, sir.
- 13 Q. Okay. Is that sign a violation of the City's Code?
- 14 A. No.
- 15 | Q. Is that sign a violation of your policy?
- 16 A. No.
- 17 | Q. Why not?
- 18 A. First of all, the sign was put up there before I
- 19 | arrived 23 years ago. And it's a directional sign. It's a
- 20 nonprofit organization. It's in the City right-of-way and
- 21 we allow that sign only on that pole.
- 22 Q. Would you agree that your sign code says that no
- 23 private signs are allowed in the right-of-way? Can we agree
- 24 on that?
- 25 A. Yes.

- Q. Okay. Can you point me, in your code, to any grandfather provision whatsoever of any kind in your zoning code or your general municipal code that creates a grandfathering provision for existing signs?
 - A. I don't have the code book but signs are grandfathered, sir. I don't have the code book.
 - Q. Where is that provision at?
- 8 A. It's in the zoning code of the City of Rehoboth 9 Beach.
 - **Q.** Okay.

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- 11 A. If a sign was put up prior to an ordinance being
 12 adopted, it's grandfathered. I don't know when the Art
 13 League signs went up. All I can testify is they were up
 14 prior to my arrival. The Art League asked they be replaced
 15 because the signs were rusty during my tenure and I allowed
 16 the Art League to put new signs up and replace the old ones.
 - Q. And approximately how many of those signs exist throughout the city, sir?
 - A. I have no idea.
 - Q. Would it surprise you if I said more than 50?
- 21 A. I have no idea.

MR. TUCKER: Your Honor, I believe the sign code which is in the zoning code is in the record. And I guess it will speak for itself with regard to the City grandfathering provision.

1 THE WITNESS: Can I add to that, Your Honor? 2 THE COURT: You've got to wait for questions and 3 then, of course, Mr. Rhodunda will have a chance to ask you 4 questions on redirect, Mr. Ferrese. 5 BY MR. TUCKER: Now you mentioned plot plans, sir, that the City gets 6 Q. 7 when people make applications throughout the city to do certain development provisions; is that correct? 8 9 Α. I don't recall that I mentioned it during my 10 testimony. 11 Do you remember Mr. Rhodunda handing you a plot plan 0. 12 that you asserted came from Mr. Sokolove's property when it had been developed under a prior owner? 13 14 No, he didn't hand me that. I don't recall. 15 MR. TUCKER: I'm sorry, Your Honor. I thought this had been marked. 16 17 Okay. I'm sorry. It was marked for 18 identification as Defendants' 2 For Identification but was 19 not moved into evidence. 20 THE COURT: This is what? 21 MR. TUCKER: This is a picture of a plot plan 22 that Mr. Rhodunda had been referring to earlier along Lake 23 Avenue. 24 THE COURT: Well, it will have to be marked as 25 something else for identification because Defense Exhibit 2

se 1:05-cv-00514-GMS Document 34-5 Filed 10/18/2005 Page 10 of 48, Ferrese - cross 1 is a stack of photographs. 2 MR. SCHILTZ: 26 or 27? 3 THE DEPUTY CLERK: 27. 4 THE COURT: I sincerely hope I'm not going to be getting back into the property line aspect of this case. 5 6 MR. TUCKER: No, Your Honor. 7 THE COURT: Go ahead. 8 BY MR. TUCKER: 9 Mr. Ferrese, do you recognize that document? 0. 10 Yes. Α. 11 Q. Do you remember Mr. Rhodunda asking you about that 12 document? 13 Α. No. 14 0. Okay. Are you familiar with what that document is? 15 To me, it just shows the property lines and lot Α. 16 numbers. 17 Do you have any knowledge as to whether or not the Q. City keeps those on record for properties throughout the 18 19 City? The Building and Licensing Department does that. Α. Do you know if any attempt was made to look at 21 0. 22 documents such as those when deciding not to remove certain

- 20
 - signs that were questionable under your policy?
- 24 Α. I'm not aware of any.

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25 Is there any policy related to that? Q.

- 1 A. Pardon me?
- 2 Q. Is there any policy related to checking public
- 3 records regarding your questionable signs?
- 4 A. You would have to ask the Building and Licensing,
- 5 sir.
- 6 Q. Are you not aware of any?
- 7 A. I'm not aware.
- Q. Now, Mr. Ferrese, you also mentioned about using parking spots in the absence of a parking lot or utility pole as a benchmark to determine your right-of-way as an
- 11 inspector; correct?
- 12 A. Yes.
- Q. Do either Mr. Murphy or Mr. Onizuk know that policy?
- 14 A. Mr. Murphy knows it and I'm sure he told Bob Walter
- and Steve. They're both employees in the Building and
- 16 License Department.
- 17 | Q. That parking spaces are used?
- 18 A. Yes.
- 19 0. As a marker?
- 20 A. Yes. Or you said there isn't any utility poles, yes.
- 21 Q. Mr. Ferrese, would it surprise you if we learned that
- 22 for the first time about this policy yesterday during
- 23 depositions?
- 24 A. It would surprise me.
- 25 Q. It does surprise you?

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- Yes, it would surprise me. Α.
- 2

Q.

- If you or Mr. Speakman or somebody from the City had written to our clients and explained this policy, do you
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think maybe this could have been avoided today?

clarifications on these points; correct, sir?

that case they would file something in court?

minute about sensible resolutions, but --

MR. TUCKER: I'll move on.

points and also threatening letters of litigation.

Doesn't the letter indicate, it's already in

THE COURT: Okay. At this point, I

understand -- I think I understand where you are going with

this. And in fact, I'll be talking to both sides here in a

evidence, that if they don't get a response it's only in

- 5
- I think that once the signs were removed on Saturday, Α.

have been resolved easily, but for one reason or another, it

But you received letters from his attorney asking for

I received letters asking for clarifications on the

July 9th, that if Mr. Sokolove would have contacted me

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- Monday morning and went over everything, yes, this could 7

did not occur.

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- BY MR. TUCKER:

Mr. Tucker.

- MR. TUCKER: I'll move on, Your Honor.

THE COURT: -- I think I have your point,

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1 Mr. Ferrese, is it fair to say that if you are an Q. 2 incumbent in the City, and you know about this unwritten 3 policy, you have an advantage when it comes to putting out 4 your signs? 5 Α. That's not fair to say, sir. I've been here 6 23 years. This is the first time I've ever experienced 7 something like this. All the incumbents, if they feel they 8 put the sign in wrong location and it was removed, they 9 would move it back where it's supposed to be, sir. It's as 10 simple as that. 11 You don't think this creates an unfair situation; is 12 that your testimony? 13 Α. You asked me a question, I gave you an answer. I do 14 not. 15 MR. TUCKER: Thank you, Your Honor. 16 THE COURT: All right. Any redirect? 17 MR. RHODUNDA: May I have one moment, Your 18 Honor? 19 THE COURT: Sure. 20 (Pause.) 21 REDIRECT EXAMINATION 22 BY MR. RHODUNDA: Mr. Ferrese, I just have a few follow-up questions 23 24 for you. You were shown some pictures by the plaintiffs'

lawyers and you were asked questions about whether they

Filed 10/18/2005 Page 14 of 48 Ferrese - redirect constituted violations or not regarding Mayor signs; is that correct? Yes, sir. Α. Were any complaints made to you about the locations Q. of those signs? Α. No. Q. And those little signs, Art League, do they have an arrow on them pointing the way to the Art league? Yes, sir. Α. Is Art League hard to find otherwise? Is it hard? Q. It's a nonprofit organization located in Henlopen Acres, a bunch of artists. I don't know their function. And the Convention Center sign, does that have an Q. arrow on that that points to the Convention Center? I can't recall. To be honest with you, there is a Convention Center sign in front of City Hall designating the Convention Center. It's on City property. MR. RHODUNDA: I don't have any further questions, Your Honor. THE COURT: Okay. Mr. Ferrese, thank you. may step down, sir. MR. RHODUNDA: Thank you, Your Honor.

MR. TUCKER: Just one follow-up.

THE COURT: No, we do direct-recross-redirect.

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We're done.

Do we have any other witnesses? 1 Okay. 2 MR. RHODUNDA: Your Honor, we do have Mr. 3 Onizuk, Mr. Murphy here. Now, they were deposed yesterday. 4 I'd be happy to provide the deposition support and just argue based on what they were deposed on rather than calling 5 them as witnesses, unless the Court feels that their 6 7 enforcement of this ordinance is something the Court wants 8 to hear. 9 THE COURT: Mr. Schiltz? 10 MR. SCHILTZ: May I confer with my clients, Your 11 Honor? 12 THE COURT: Yes. 13 (Pause.) MR. SCHILTZ: Your Honor, we have no objection 14 to supplementing the record by designations from the 15 testimony of Mr. Onizuk and Mr. Murphy. 16 17 THE COURT: All right. Fine. Thank you. 18 Then I take it on that basis, you rest? MR. RHODUNDA: No, actually I want to move the 19 20 admission of our submission before the Court. THE COURT: Move what? 21 22 MR. RHODUNDA: Move the affidavits that are that 23 attached to the memorandum in opposition to the plaintiffs' 24 motion. As Your Honor is aware, this has been a very

expedited matter. The plaintiffs certainly had at least a

1 week or two headstart on us. We were able to obtain some 2 affidavits. 3 THE COURT: From whom? MR. RHODUNDA: I'm sorry? 4 5 Just identify the affidavit. THE COURT: 6 MR. RHODUNDA: Okay. The affidavits from 7 Richard Sargent, who is a current City Commissioner, we were 8 able to obtain that yesterday; from a Patrick Gossett that 9 we received yesterday, who is currently Commissioner for the 10 City; and also a former mayoral candidate, Charles Bahan. And we were able to obtain that affidavit yesterday in 11 12 response to the claims raised in the plaintiffs' memorandum and we would move their admission because they support the 13 14 consistent and ongoing enforcement of the sign ordinance in 15 They actually speak to that in just very short the City. 16 one-page affidavits going back over the last 10 years. 17 MR. SCHILTZ: Obviously, we don't have an 18 opportunity to cross-examine. They are hearsay and we 19 object. 20 THE COURT: All right. Well, I'll take it under advisement. It's part of the court record already. 21 22 MR. SCHILTZ: It is, Your Honor, but I think you 23 understand my position. 24 THE COURT: Yes, I have your position.

objecting to it being part of the record of this hearing and

1 I've told you I'll take it under advisement. 2 Is there any other evidence you want to present? 3 MR. SPEAKMAN: Your Honor, we're having a little trouble deciding whether we have one more witness, 4 depending, because that witness would go towards historical 5 enforcement of the ordinance question. 6 7 THE COURT: Well, if you have a witness here and you want to put him on, put him on. 8 MR. SPEAKMAN: May we have another moment to 9 talk about that? 10 (Counsel confer.) 11 12 MR. RHODUNDA: Your Honor, we're resting. THE COURT: All right. Is there any rebuttal 13 evidence you want to put on, on the plaintiffs' side, 14 15 Mr. Schiltz or Mr. Tucker? MR. TUCKER: One moment, Your Honor. 16 (Pause.) 17 MR. SCHILTZ: 18 No. THE COURT: All right. Both sides then have 19 The record is complete with the sole exception that 20 I have under advisement whether or not to make certain 21 22 affidavits or declarations part of the record. Let's talk for a moment about getting your 23 positions before me, your legal positions before me. 24 I have the submissions that both sides have 25

1	made. Do you think you want or need some additional
2	opportunity to present to me either argument today, which
3	would have to be very brief, I have a 2:30 matter that I
4	need to address, or do you want to take the opportunity to
5	give me something in writing in light of the evidence that
6	was submitted today? Mr. Schiltz?
7	MR. SCHILTZ: Your Honor, from the plaintiffs'
8	position and I apologize. Did I understand that Your
9	Honor has an obligation at 2:30?
10	THE COURT: Yes.
11	MR. SCHILTZ: But there would be an opportunit
12	to come back after that to present oral argument? No, I'm

У to come back after that to present oral argument? No, I'm just trying to understand.

> THE COURT: No.

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MR. SCHILTZ: Your Honor, we're happy to proceed with oral argument right now. We do not believe we need additional legal submissions summarizing the facts.

THE COURT: There you go. That's what I'm looking for. Thank you very much.

All right. Mr. Rhodunda or Mr. Speakman, the same question to you. Are you prepared to proceed to argument now and do you think you need to give me something else in writing? I got what you sent in.

MR. RHODUNDA: Correct. We're ready to proceed to argument, Your Honor.

THE COURT: Okay. Let's go ahead and have your argument. And I apologize right now if, for any reason, we don't go through this, I may require you to stay and we come back after I have my 2:30 proceeding, but I'm hoping that we can get through. We'll see. Go ahead.

MR. SCHILTZ: Your Honor, our application in our oral argument we think is relatively short. It follows the legal memorandum we submitted at the outset of the case. There are two arguments that we're going to make. The first is that the City Ordinance Section 74-16 is unconstitutional on its face and, secondly, that it's been enforced in a selective and discriminatory manner.

THE COURT: As to the first point, let's hit that. You tell me, which is the one you think you pin most of your hope on, if you had to rank them?

MR. SCHILTZ: Your Honor, I'll be honest. I think the unconstitutional on its face argument is a very strong argument. The other argument is very strong as well. The only issue is whether or not there has been some record created that might dispute whether it's been selectively enforced.

THE COURT: Okay. As to the unconstitutional on its face argument, your opponent cites me to City of Los Angeles vs. Taxpayers for Vincent, where, for aesthetic purposes, the City ordinance banning bills on poles was

upheld against a challenge that it was an infringement on political speech. How does that precedent affect your position that this is overbroad to say that you can't have these political signs on public property?

MR. SCHILTZ: The answer, Your Honor, is every constitutional analysis begins with looking at the statute at issue. And the statute at issue in the Vincent case is just different than the statute at issue in this case. The statute at issue in the Vincent case prohibited across the board anyone, including the government, from erecting signs on public right-of-way. Here, the statute excepts the Government from that prohibition.

We see it throughout the record, Your Honor. You look at the most glaringly the 30-foot tall City of Rehoboth Beach Convention Center sign. Is that a directional sign, as our, my friends say? Even if it is, first of all, I don't see a narrowly tailored exception in 74-16 which would prohibit that. But let's look at the it for what it really is it's a commercial sign. You see on it, it has an advertisement for "Oklahoma." Well, you will hear from the deposition testimony that we would submit that that was a private production that is put on by private -- in the private enterprises that charges a fee and earns money for that.

So we've got the City promoting commercial

speech on a sign. Now, query: Could the playhouse down the street erect a 30-foot soon sign that says "Come See Yankee Doodle Dandy?" I think they would claim that is prohibited by 74-16. So we have a very different statute. The one in Vincent prohibited across the board. City couldn't do it, State couldn't do it, private individuals couldn't do it. Here, that is not the case. The City, in fact, is exercised its rights to go ahead and erect large signs.

THE COURT: Large signs?

MR. SCHILTZ: There are certainly the City of Rehoboth sign, there is a "Welcome" sign as you come into the town. You know, we hear this is — I can show you that although the record is closed. I can point you to a lighthouse that sits in the circle. We hear this is about aesthetics and maintaining the lovely Rehoboth Beach, yet the City itself erects a 30-foot blinking sign on the busiest commercial street in the City.

THE COURT: So the City's placing a sign on the commercial thoroughfare you think is --

MR. SCHILTZ: It's an example of what is permitted by the statute, and by permitting that, the statute is unconstitutional because it treats certain speakers, the Government, differently than other speakers, anyone else.

And think about that, Your Honor. Why do we

have the First Amendment? We have the First Amendment to prohibit the Government from silencing the populus and allowing it to speak. Yet that is what the ordinance does. It allows the Government to speak on any issue, Your Honor. That is not limited. It can promote any activity that it wants.

Look at the Supreme Court precedent. And, Your Honor, the point there then -- and taking this to the next step. That renders the statute content-based vs. content-neutral. The difference between the plaintiffs' submission on the law and mine is that they apply a different test.

THE COURT: They sure do.

MR. SCHILTZ: They do. It's a time, place and manner test. And that is what happens when there is a content-neutral statute. When there is a content-based statute, a much different standard applies. That is clear from all the case law. I don't think anybody is going to dispute that. And, frankly, Your Honor, that is probably the most fundamental decision. Once your Court decides that, I think the rest flows relatively easily.

When you are in a content-based application, you have to show a compelling need, compelling justification.

I cited the Court, I believe it's the Whitton case from the Eighth Circuit which said aesthetics and traffic isn't

compelling, never has been recognized as such. And then you have to have it narrowly -- excuse me. It has to be narrowly tailored. So it has to say: Well, we've got a big ban. We're not going to have any ban but we're going to allow directional signs. A lot of statutes, including the Delaware state stature that was at issue in the Rappa case say that: Big ban, can't have it on this side of the roads, but if you want to put up a directional sign because obviously roads people need to be directed on roads, that that is okay. It's narrowly tailored, serving the function of the venue. That's not what we have here, Your Honor. We have a blank check for the City.

THE COURT: Well, I'm sure that Mr. Rhodunda or Mr. Speakman, of course, will be speaking for themselves but I understand their position to be that what we're talking about here is a permitted time, place and manner restriction to meet an aesthetic end. And what you are saying is:

Don't even get that far because, since this is a restriction only on private signs, doesn't restrict the Government, you never get past that issue. By that very fact that it's private sign only, I'm in noncontent-neutral space. Have I understood you right?

MR. SCHILTZ: I believe because it differentiates between speakers that this is a content-based

statute. Then you have to apply the contest-based test and we don't think they meet the test.

THE COURT: And differentiating between speakers is the Government and non-Government?

MR. SCHILTZ: Absolutely.

THE COURT: Okay. Fine. I got your argument.

MR. SCHILTZ: I will state, however, Your Honor, even if you apply the plaintiffs' standard, one of the fundamental components of that is narrowly tailoring the relief, the exception; once again, the prohibition. And again, this statute just doesn't have it. It's not narrowly tailored on the front end. It prohibits everything. The Supreme Court said that's okay. Now we have this exception.

Frankly, Your Honor, I don't think the time, manner and place exception we ever get to, because if you look at the Rappa case, it applied what I will call an intermediate standard. And let me explain that to Your Honor. That statute, as I said, had broad prohibition on signs next to roadways and then it had a number of clearly delineated exceptions. And there, the Supreme Court -- excuse me -- the Third Circuit said in situations like that, there must be --

THE COURT: Give me a page cite.

MR. SCHILTZ: Your Honor, it's not it easiest think to articulate but it's at page 1065, Your Honor.

THE COURT: Okay. I have it in front of me. What language do you want to point me to?

MR. SCHILTZ: Right at footnote six.

THE COURT: Footnote 36?

 $$\operatorname{MR.}$$ SCHILTZ: Six. No, I'm sorry. Headnote six, at the top of the page.

THE COURT: All right.

MR. SCHILTZ: This is dealing with a situation where there is a general ban and an exception of certain narrowly tailored speech. The court said: There must be a significant relationship between the speech that is being permitted and the location that is being regulated. It must be clear that the State didn't make this distinction in an attempt to sensor viewpoints or control what issues are appropriate for public debate.

There is no evidence on that issue here, Your Honor.

And it goes on to say: The exception is substantially related to advancing an important State interest that it at least as important as the interest advanced by the ban. And then, importantly, the exception is no broader than necessary to advance the special goal; the exception, the goal that is being recognized in the exception; and that the exception is narrowly drawn so as to impinge as little as possible on the overall goal.

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I just don't see that statute meeting this test. And if you are not going to look at this as contest-based as we think you should, at the very least the Rappa test applies. And, frankly, we don't think it survives that either. THE COURT: All right. MR. SCHILTZ: I'll move on. The second argument we have is the statute has been applied in a discriminatory record. And I want to break the record down into areas. The first will be what I term essentially commercial speech and the second is the campaign sign issue.

We have heard a lot about where the campaign signs are, whose signs were removed, whose weren't, but the record is clear, Your Honor, that there is a multitude of commercial signs in the public right-of-way which are never touched. I'll direct the Court's attention to the Village -- I forget.

MR. SPEAKMAN: The Village Improvement Association.

MR. SCHILTZ: Thank you, sir.

(Continuing): -- the Village Improvement

Association sign. The only evidence is that it's located on

City property. It's clearly advocating this association.

Let's talk about the 50 Art League signs. Let's talk about

the trailer park sign, a foot off the road. I just don't see that there has been any consistent enforcement with respect to those signs. So they let all of those go. But we're going to remove the political signs. That is not appropriate.

Now, Your Honor has heard a lot of evidence on the last issue, that is, selective enforcement vis-a-vis the campaign signs. Now, frankly, I think there is clear evidence that the plaintiffs were advised ahead of time that they could erect signs in the public right-of-way. They relied on that advice and they went out and erected their signs. Then they see their signs are removed from both private placements as well as public right-of-ways while other signs remain in the identical property, Your Honor.

Now, that seems troublesome but it's almost not surprising, given the fact that the City has adopted a completely arbitrary standard for enforcing its ordinance. The ordinance precludes private parties from erecting signs in public right-of-ways. It has to be enforced, Your Honor, consistently.

We heard Mr. Ferrese say we don't enforce it.

If it's a 10-foot wide swatch and the pole is five feet right in the middle of it and there is a sign right behind it, we look the other way. And they look the other way repeatedly here, Your Honor, to the detriment of my client

and in favor of the incumbents.

Now, instead of looking to the record, to the records in their offices and figuring out where the right-of-way is with respect to all these properties, they employ this rule of thumb that says, well, if it's between the curb and the far side of the sidewalk that it's done, that's no good. If it's closer to the road than the utility pole, that's no good either. Then if there is neither of those, frankly, Your Honor, we just let it go. And that testimony comes from the deposition, Your Honor.

THE COURT: Which deposition?

MR. SCHILTZ: I'll read it to Your Honor.

THE COURT: Well, you can read it to me if it's the deposition of one of these folks.

MR. SCHILTZ: It is.

THE COURT: Okay.

MR. SCHILTZ: It's the deposition of Mr. Onizuk.

THE COURT: Okay.

MR. SCHILTZ: And I apologize, I don't have the final court version of this, but I can submit later a --

THE COURT: That's all right. Go ahead and put it into the record. If Mr. Rhodunda or Mr. Speakman have a problem, I'm sure they'll tell me.

MR. RHODUNDA: Not the entire transcript into the record.

1 MR. SCHILTZ: I've got it, Your Honor. It's on 2 page 69, line 14 of this transcript that I've got. And this 3 is Mr. Tucker. 4 "Question: Let me ask the question. 5 important. What do you do in that instance? What do you do 6 in an instance where there is a street, there is no utility 7 poles, and no sidewalk? 8 "Answer: Then I would say I'm going to leave 9 those signs alone. They might be on somebody's private 10 property. 11 "Question: You would not remove those signs? 12 "Answer: I would not remove them. If I have 13 any doubt, I won't touch them." 14 THE COURT: All right. 15 MR. SCHILTZ: So they're not looking to 16 determine whether or not it's in the public right-of-way. 17 They've adopted a scheme that nobody knew about, that we 18 asked repeatedly about to try to find some information 19 about. We weren't told. The incumbents knew it so they 20 knew how to put up their signs so they're not taken down. 21 Your Honor, I just think collectively as a

Your Honor, I just think collectively as a whole, if you look at all those actions, it clearly shows that this statute has been applied in an entirely selective and arbitrary manner, vis-a-vis my client's political signs.

THE COURT: All right.

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MR. SCHILTZ: And I'll only touch on it. I
don't think -- I'll say this: There are other elements that
were required to be met in connection with the preliminary
injunction application. I believe there really is no
material dispute that if we prevail on the likelihood of
success of the merits prong that the others flow therefrom.
But if I'm incorrect, Mr. Rhodunda will correct me.

THE COURT: And you will have a chance for

THE COURT: And you will have a chance for rebuttal.

MR. SCHILTZ: Thank you.

THE COURT: All right. Mr. Rhodunda.

MR. RHODUNDA: Thank you, Your Honor.

I think unfortunately this case is a product the heightened emotions associated with a political campaign. It is not a constitutional issue. The plaintiffs can't escape that this is the City. They can't escape it. It's the same type of ordinance that if you read the case carefully, you will see certain governmental signs in the Vincent case particularly cited in the decision are street signs, are traffic signs. So clearly Vincent, you can't think the City of Los Angeles does not have Governmental directional informational signs within the City of Los Angeles.

THE COURT: Let's get specific here. The assertion by your opponent that you need to speak to, to

meet head on, is that the ordinance at issue in the Vincent case, Section 28-04 of the Los Angeles Municipal Code which is quoted right at the start of the opinion, does not limit itself to private parties but evidently, as the plaintiffs read it, prohibits anybody from posting information.

That's the assertion. And that what makes these cases fundamentally different is the Government is excepted and it gets to post in public rights-of-ways and that private parties don't. Speak to that issue if you would, please.

Does that distinction that they draw hold water? If not, why not?

MR. RHODUNDA: It doesn't hold water. There is no doubt this is a content-neutral ordinance. It should be appropriately considered as content-neutral. The plaintiffs have not identified any case law that indicates that a Government set aside from private individual or private corporations establishes a different party of interest. The Government signs that they have identified here are the types of signs any Government is going to have with directional or informational signs for Government. And I believe the courts have indicated repeatedly that is the case, that they are constitutional and permitted signs.

The Rappa case actually strongly supports our position because in the Rappa case, they have a broader ordinance that prohibits signs. I think they have up to 10

exceptions.

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The Third Circuit threw out that ordinance based on one of the 10 exceptions. But what is interesting, and we cited it regularly throughout our filing, is that all the types of signs that Government typically put up are constitutionally-permitted signs.

MR. RHODUNDA: There is also another case that I think is right on point for us.

THE COURT: Well, let me ask you a question about; again, trying to get you to meet the argument made by your opponent; the assertion is made that you, the City of Rehoboth, have gone beyond directional signs. That you have a big commercial sign advertising commercial activity. That you have a series of signs, up to 50, that benefit a particular organization by highlighting them and pointing the way to their location. That's the claim that is made to me, the assertion that is made. Do those facts make a difference?

MR. RHODUNDA: No, Your Honor, because I relate these signs that you have just mentioned more to like "don't swim in Lake Gerar" signs. Presumably, it's a government sign, it goes to a government issue of safety by not swimming in the lake. For whatever reason, they don't want people swimming in the lake. They actually identified that picture as a photograph that is a government sign in Lake Gerar that they find apparently in violation of the statute.

9.

THE COURT: Okay. Are you saying that it's unsafe to swim sign is equivalent to an advertisement for a commercial activity?

MR. RHODUNDA: I think in the case of the Convention Center sign, there is an arrow on the sign that points to the convention center. I think the government certainly has a substantial interest, I believe the Supreme Court has previously indicated that, in helping citizens know where government buildings are and how to get to them.

THE COURT: How about, I take it there is an electronic billboard that is part of that sign?

MR. RHODUNDA: Look, there is one and there are different events. I'm sure there are government events and non-government events, but it's a government building. The government benefits from renting that space in the event there is a show or function there but also the government benefits by bringing people into the town by coming and attending these events.

get you to answer. I hear you telling me that it's content-neutral, but the assertion being pressed on me by your opponent is why does the government get to tell people about the play Oklahoma on public property and we don't get to tell citizens, Vote For Mr. Sokolove. So when you say, oh, it's content-neutral, I need you to address specifically

that assertion, if you can.

MR. RHODUNDA: Well, in regard to looking at the Rappa case, they talk about signs being typically related to the property being constitutionally permissible signs.

Putting a Convention Center sign right directly across from a Convention Center we believe is a permissible activity because it's just simply identifying a government building.

Now, there may be other activities that take place there but the government, citizens of Rehoboth really benefit from any activities that take place at the convention center.

THE COURT: Okay. Let's take it for the sake of argument that I agree with you. All right? And that I'm looking not at the more stringent test that the plaintiffs press on me but at the Rappa test. Okay?

What am I to make of the assertion in the record before me that there was no way to know whether your sign was going to get yanked or not because sometimes they were, sometimes they weren't. I mean there is a rule of thumb but who knows whose thumb and when it was going to be placed on the scale. That's the next argument I hear from your opponents. What is your response to that?

MR. RHODUNDA: I did think there was a communication problem. I think there were too many lawyers involved in this matter. The letters that went to the City

were on the attack. They weren't saying, "please tell us where can we put our signs." It's "we're going to sue you." It went on and on and on. "The Rappa case applies." There was no dialogue.

Regardless of who is at fault, at the moment, speaking candidly to the Court, they've been able to get along, the politicians, for the last ten years. We submitted affidavits talking about the knowledge people had. Even the plaintiffs' witness who testified no, we didn't have signs in parks and we may have had them up the day before on a City right-of-way, but he didn't have his signs on public property.

THE COURT: That's not what I heard him say. I heard him say, Mr. Rhodunda, that he did have his signs on public property and that he had them on public property well before the first day of the election.

MR. RHODUNDA: Well, he had some, but I think he focused on the end of the streets the day before election, but he never had them on a park, he never had them in the library, he never had them on City Hall. So he is potentially arguing or stating that he had them in the right-of-way between the sidewalk and the curb.

THE COURT: That's kind of like --

MR. RHODUNDA: That is where he had them.

THE COURT: And if that is the case, again,

assume for the sake of argument, you don't have to -- I mean you can, and I take it you do, challenge it. But assume I were to accept that testimony, that historically, either by way of the rule of thumb or some other way, signs have been

the decision to start enforcing this year --

MR. RHODUNDA: I'm sorry?

going up on what is technically public right-of-way.

THE COURT: Does the decision to start enforcement, if I were to accept that testimony as truthful and accurate, then I would say, well, they decided to start enforcing this year. Does that make a difference constitutionally, looking back?

MR. RHODUNDA: I think it goes back for many years, the same policy has been in effect. The affidavits we supplied support that. Mr. Ferrese's long term tenure with the City support that, that they have been regularly enforced.

They had a lawyer research the issue and the lawyer didn't find the prohibition on putting signs on public property. It really does not make logical sense,

Mr. Ferrese says you can put signs anywhere up on the City when they never have been historically placed in parks and median strips, let's say Rehoboth Avenue.

I think the biggest issue between the parties is related to the front of residential properties. As we

saw in the zoning map, a good 80-to-90 percent of the property in Rehoboth is probably privately owned commercial or residential property. The question is can you place a sign in there? Our argument is you can place a sign in front of or on any of those private properties. On that map, there really aren't a wide range of areas that would be considered public property.

Now, there is a right-of-way in front of the residents. The City has a reasonable approach to that and it's been a reasonable approach that the past candidates for office have been able to comply with. And I do think it's a matter of three feet that we stop going through the whole process of showing the photographs because I think the Court appropriately redirected us as to what evidence should be presented today.

But the issue before the Court, sadly to say, in these cases is you can't put it between the sidewalk and the curb; but if you have it on the other side of the sidewalk, you're okay. And our position is in our affidavit or deposition testimony from the people who took the signs down is that is where the signs were.

There is a little bit of a question mark when it comes to the telephone poles, but I think the testimony was pretty consistent that if you're behind the telephone poles, which are usually right at the right-of-way edge, we will

not take these signs. And that allows you to put a sign, as you can see from some of the photographs, two or three feet from the roadway. So this ordinance does not prohibit significant areas of signage for these candidates would like to place out. There is, 80-90 percent of the Rehoboth could have a sign that says Sokolove For Mayor.

THE COURT: Okay.

MR. RHODUNDA: I think it's a significant factor.

THE COURT: Is there anything else you want to tell me about this, Mr. Rhodunda?

MR. RHODUNDA: Only that in Frumer vs.

Cheltenham Township, a Third Circuit case, the Court analyzed a similar statute and they found that that statute was actually narrowly tailored to serve the government's needs regarding signs and there was a complete prohibition of signs there. So we don't believe that narrowly tailored or the highest standard applies. We do think it's content-neutral and we have to show reasonable time, place or manner of restrictions. But in light of all the opportunities for candidates to place signs, just political signs themselves on private property, that that is reasonable.

And that there are also many other opportunities. We deposed the plaintiffs about all the

other ways they advertise. There are 1,300 registered voters in Rehoboth. They've all mailed out multiple letters to all registered voters. The question is were we somehow stopping them from putting the word out on their candidacy? The City provided for their own testimony yesterday.

THE COURT: I don't even hear them arguing here today that all speech is shut off by this. I hear them arguing two things: facially invalid; and even if not facially invalid in application, indefinite and discriminatory. Those are the arguments. So I think we're okay on the points you just raised.

Now, your opponent, at the very last moment when he was standing up here, said: Hey, this case is really about likelihood of success on the merits at this point because the City is not disputing that if the Court were to find plaintiffs had a likelihood of success that the other three factors for preliminary injunction would be met. That is, irreparable injury; and the City would not suffer irreparable injury if an injunctive order were granted; and public interest favored the plaintiff. That is the plaintiffs' assertion. What is your take, among those other aspects of preliminary injunctive relief?

MR. RHODUNDA: Certainly. We believe they cannot proceed on success on the merits, but with regard to irreparable harm to the plaintiffs if the preliminary

injunction is ordered, we do believe that there would be harm to the City of Rehoboth. This has been a long standing policy. We have provided affidavits that show that this has been an ongoing practice in a limitation on signs, and if this Court were to grant this motion, that certainly would change the long-standing practice. It may go more directly to the public interest, but the public interest is that legislature in the City of Rehoboth passed an ordinance. That ordinance says no signs on public properly.

THE COURT: No, it says no private signs on public property. That is their point.

MR. RHODUNDA: I understand that, but I don't think that they found a case that just says because a government allows certain signs that that, all of a sudden, makes that some heightened standard.

THE COURT: Okay. Thank you very much, Mr. Rhodunda.

I've got 120 seconds for you.

MR. SCHILTZ: Mr. Rhodunda made a few points. I want to speak just briefly about the Vincent case. He said, well, that permitted directional signs, and it was content-neutral. And that is not correct, Your Honor. The statute at issue there was regulating posting of signs on utility poles. It had nothing to do with whether or not you could put directional signs anywhere.

And then the argument seemed to be that, well, directional signs have been constitutionally upheld on numerous occasions. I agree there are several cases that hold that but it all comes down to the context of the statute. The statute says everything is banned but this narrow exception is allowed. We don't have that here, again. And they want to use their practice over the years as they say to show, well, this is how we're enforcing it or how it's been applied or this is the status of the facts and therefore the statute itself is constitutional. And that is putting the cart before the horse. You've got to look at the statute.

The other point, that they jab us for putting to a no swimming sign. Well, Plaintiffs' Exhibit 23 has a no swimming sign on it, Your Honor, but it also has a Tree City, USA -- a sign that one of the deponents, who is going to be submitted through his deposition, said: Oh, I assume they put that out there to, you know, let people know that that is in there. That's something that they support and that they'll garner support from the populus by posting Tree City, USA signs. So once again, we have government trying to sway the minds and thoughts of the public.

Mr. Rhodunda said Mr. Cargnino didn't review the Code. I think she testified just the opposite.

The basic point here, Your Honor, is that the

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defendants aren't applying the statute as written in any manner. Your Honor pointed that out. I don't think they had a good response.

Mr. Rhodunda then finally ended up by saying if an injunction were to issue and there were a likelihood of success that there would be harm to the City. The standard how it is irreparable harm. The fact the City has to change its policy doesn't cause it irreparable harm. If that were the case, then no injunction could ever issue in a case like this, Your Honor, because obviously that happens when an injunction is enforced.

THE COURT: All right. I have your positions.

Thanks.

Now, before I leave the bench, I want to know if anybody has done anything to speak to each other.

You don't need to be standing up for this. Go ahead and sit down, Mr. Schiltz.

You have an election coming up pretty darn quick; right? That is why you guys are saying: Hey, judge, drop everything else so that the voters of Rehoboth have the benefit of a fair and open election; which I'm taking very seriously, which is why we're all here and have spent the better part of the day. And I will spend a lot more time on it, too, obviously, because I've got to go back and take a look at your arguments and stuff.

But the practical issue of getting signs put up, I'm assuming that you folks can speak to each other. Am I right? I mean is there something that prevents the parties, with or without their lawyers, from sitting down and talking about what is and isn't going to be acceptable in the City's view at this time? Am I missing something here? I'm just trying to keep an eye on practicality.

And the reason I raise it is I get the sense is this never happened. And I get this sort of who-struck-John stuff about, well, I tried to call. He didn't call me back. Well, they never got in touch with me. The only letters I got were threatening. Moving past all that, do people have signs up now in a way that they're comfortable with? Has there been discussion about that? And if not, what is to prevent you folks from sitting down and talking about that?

Mr. Schiltz, I'll give you the first crack at it.

MR. SCHILTZ: Yes, Your Honor. First of all, we do have signs up. They are certainly not up in the locations that we would prefer them to be and believe we're entitled to erect them.

THE COURT: All right. And have you talked about that with the other side?

MR. SCHILTZ: We have talked about that issue, Your Honor, before we filed the lawsuit. We made a couple

phone calls. I mean this is a who-struck-John issue.

THE COURT: Yes, and go ahead and stand up. If you going to address the Court, you have to be proper.

MR. SCHILTZ: I apologize.

THE COURT: I'm not asking to go back over all of that. I'm asking whether people have talked since --

MR. SCHILTZ: The effort was made after the lawsuit was filed. The problem becomes the train has left the station to some degree once the lawsuit is filed, a fact we told the defendants before we filed.

THE COURT: All right. I fundamentally disagree with that. This train has not left the station. You folks can talk to each other, and should.

MR. SCHILTZ: I don't mean to suggest we haven't. We have. The problem is what becomes an acceptable resolution becomes much more difficult once we file the lawsuit is filed.

THE COURT: All right.

MR. SCHILTZ: I do think it's worthwhile for the parties to talk and say: Is this one okay? Is that one not okay? I don't think anybody would object to that. We certainly wouldn't. But that doesn't address the issue of what we really think, which is we're being prohibited from erecting them in places we think we should be able to.

THE COURT: All right. Mr. Rhodunda.

MR. RHODUNDA: We have gone over the photographs the last couple days over what has been traditional and acceptable sign locations. We're certainly happy to have that dialogue with them on that. The reason why things broke down when we started discussing it was -- and I know this sound like a very minor point, but there is one clear area where signs aren't permitted is between the sidewalk and the curb. And that's a public right-of-way area. They even agree with that.

But the question is whether or not we get past the stumbling blocks. I mean we should have a dialogue on where we think the signs can go. But the unfortunately the City can't say we can put them in the public right-of-way as a part of trying to resolve it, but maybe we can talk about pictures and locations. I think as I previously stated, we're talking about two or three feet is what we're talking about here, and that is a little bit unfortunate.

THE COURT: All right. If you haven't been talking, you ought to start talking, because it obviously going to take me -- I'm not going to rule from the bench. And so you are going to wait to get something from me in writing, and I'll try to get that to you forthwith. But in an election season as short as this one clearly is, every day obviously is important, not just to the candidates but to the people.

These are important things, free elections, so you should be speaking to each other. And you should be working out to the fullest extent possible. At the end of the day, what ought to happen is we ought to end up with signs pretty much where everybody agrees it makes sense to have signs. And if we still have a problem, then the problem is one of, if the statute or ordinance isn't appropriate, is one of tightening up and clarifying and fixing an ordinance that hasn't been what it ought to be, perhaps. But I hate to see an election where people are off on a side line, side tangent from what the issues of the election probably are.

Don't misunderstand what I'm saying. I'm not suggesting the First Amendment is some minor thing off to the side. It's huge. It's of tremendous importance. But as Mr. Sokolove himself said on the stand, he would prefer to be campaigning today. That would be for the best all the way around is if you folks were focusing on the election and not on your signage.

So please speak to each other and work out what you can work out in the meantime, leaving aside what I think is absolutely the case, noticing the tone of the language and body language and things like that in the courtroom, that there has been some heightened emotion associated with litigation.

1	So you know what? Whether folks have		
2	disagreements about the way the ordinance is written or the		
3	way it's been applied, I think everybody here, it's safe to		
4	say, that has appeared before me has the best interest of		
5	the City of Rehoboth at heart, cares about the City of		
6	Rehoboth, wants the City to have the opportunity to have a		
7	good, clean, fair, open election. That is a broad,		
8	wonderful common ground that you people should be working on		
9	before you hear back from me to get things worked out about		
10	these signs to a very large degree. I encourage you to do		
11	that.		
12	MR. SPEAKMAN: Your Honor, would you like a		
13	report? A status report?		
14	THE COURT: Well, I'd love a status report.		
15	It's not going to hold me up. I'm going to be working on		
16	your case. But you guys ought to be talking. All right?		
17	We're in recess.		
18	(Hearing ends at 2:37 p.m.)		
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